

# Sunshine Act Meetings

Federal Register

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Wednesday, April 9, 1986

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

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### 1

#### COMMISSION ON CIVIL RIGHTS

**PLACE:** 1121 Vermont Avenue, NW., Washington, DC, Room 512.

**DATE AND TIME:** Friday April 11, 1986, 9:00 a.m.-5:00 p.m.

**STATUS OF MEETING:** Open to the public.

#### MATTERS TO BE CONSIDERED:

- I. Approval of Agenda
- II. Approval of Minutes of Last Meeting
- III. Staff Director's Report for March
  - A. Status of Funds
  - B. Personnel Report
  - C. Office Directors' Reports
- IV. Report on Minority Set-Asides
- V. Interim Appointments to the State Advisory Committees
- VI. Civil Rights Developments in the Eastern Region

#### FOR FURTHER INFORMATION PLEASE

**CONTACT:** Barbara Brooks, Press and Communications Division (202) 376-8314.

Donald M. Stocks,  
Assistant Solicitor.

[FR Doc. 86-8003 Filed 4-7-86; 1:26 pm]

BILLING CODE 6335-01-M

### 2

#### FEDERAL DEPOSIT INSURANCE CORPORATION

##### Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 3:54 p.m. on Thursday, April 3, 1986, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session, by telephone conference call, to consider a request for financial assistance pursuant to section 13(c)(1) of the Federal Deposit Insurance Act.

In calling the meeting, the Board determined, on motion of Chairman L.

William Seidman, seconded by Director Irvine H. Sprague (Appointive), concurred in by Mr. Robert J. Herrmann, acting in the place and stead of Director Robert L. Clarke (Comptroller of the Currency), that Corporation business required its consideration of the matter on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matter in a meeting open to public observation; and that the matter could be considered in a closed meeting pursuant to subsections (c)(4), (c)(6), (c)(8), and (c)(9)(A)(ii) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(4), (c)(6), (c)(8), and (c)(9)(A)(ii)).

The meeting was recessed at 3:58 p.m., and at 6:15 p.m. that same day the meeting was reconvened, by telephone conference call, at which time the Board of Directors:

(A) Considered a memorandum regarding the acquisition of additional office space;

(B)(1) Received bids for the purchase of certain assets of and the assumption of the liability to pay deposits made in Industrial National Bank of East Chicago, East Chicago, Indiana, which was closed by the Acting Senior Deputy Comptroller for Bank Supervision, Office of the Comptroller of the Currency, on Thursday, April 3, 1986; (2) accepted the bid for the transaction submitted by Mercantile National Bank of Indiana, Hammond, Indiana; and (3) provided such financial assistance, pursuant to section 13(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(2)), as was necessary to facilitate the purchase and assumption transaction; and

(C) Received bids for the purchase of certain assets of and the assumption of the liability to pay deposits made in Eddy County National Bank, Carlsbad, New Mexico, which was closed by the Acting Senior Deputy Comptroller for Bank Supervision, Office of the Comptroller of the Currency, on Thursday, April 3, 1986; (2) accepted the bid for the transaction submitted by United New Mexico Bank at Carlsbad, Carlsbad, New Mexico, a insured State nonmember bank; (3) approved the application of United New Mexico Bank at Carlsbad, Carlsbad, New Mexico, for consent to purchase certain assets of and assume the liability to pay deposits made in Eddy County National Bank, Carlsbad, New Mexico, and for consent to establish three of the four offices of Eddy County National Bank as branches of United New Mexico Bank at Carlsbad; and (4) provided such financial assistance, pursuant to section 13(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(2)), as was

necessary to facilitate the purchase and assumption transaction.

In reconvening the meeting, the Board determined, on motion of Director Irvine H. Sprague (Appointive), seconded by Mr. Robert J. Herrmann, acting in the place and stead of Director Robert L. Clarke (Comptroller of the Currency), that Corporation business required its consideration of the matters on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting pursuant to subsections (c)(8), (c)(9)(A)(ii), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(8), (c)(9)(a)(ii), and (c)(9)(B)).

Dated: April 4, 1986.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 86-7999 Filed 4-7-86; 12:44 pm]

BILLING CODE 6714-01-M

### 3

#### FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS

**TIME AND DATE:** 11:00 a.m., Monday, April 14, 1986.

**PLACE:** Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, DC 20551.

**STATUS:** Closed.

#### MATTERS TO BE CONSIDERED:

1. Proposed establishment of a contingency center and purchase of related computer equipment within the Federal Reserve System.
2. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
3. Any items carried forward from a previously announced meeting.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.



Date: April 4, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-7915 Filed 4-8-86; 4:11 pm]

BILLING CODE 6210-01-M

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#### INTERNATIONAL TRADE COMMISSION

**TIME AND DATE:** Friday, April 25, 1986 at 11:00 a.m.

**PLACE:** Room 117, 701 E Street, NW., Washington, DC 20436.

**STATUS:** Open to the public.

#### MATTERS TO BE CONSIDERED:

1. Investigation 731-TA-266 (Final) (Certain steel wire nails from the People's Republic of China)—briefing and vote.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Kenneth R. Mason, Secretary (202) 523-0161.

Dated: April 3, 1986.

Kenneth R. Mason,

Secretary.

[FR Doc. 86-7945 Filed 4-7-86; 9:28 am]

BILLING CODE 7020-02-M

5

#### INTERNATIONAL TRADE COMMISSION

**TIME AND DATE:** Monday, April 21, 1986 at 2:00 p.m.

**PLACE:** Room 117, 701 E Street, NW., Washington, DC 20436.

**STATUS:** Open to the public.

#### MATTERS TO BE CONSIDERED:

1. Agenda.
2. Minutes.
3. Ratification List.
4. Petitions and Complaints.
5. Investigations 731-TA-271, 272 and 273. [Final] (Welded carbon steel pipes and tubes from India, Taiwan and Turkey)—briefing and vote.
6. Investigations 701-TA-271 and 731-TA-318 [Preliminary] (Oil country tubular goods from Israel)—briefing and vote.
7. Any items left over from previous agenda.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Kenneth R. Mason, Secretary (202) 523-0161.

Dated: April 3, 1986.

Kenneth R. Mason,

Secretary.

[FR Doc. 86-7946 Filed 4-7-86; 9:29 am]

BILLING CODE 7020-02-M

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#### INTERNATIONAL TRADE COMMISSION:

**TIME AND DATE:** Friday, April 18, 1986 at 11:00 a.m.

**PLACE:** Room 117, 701 E. Street, NW., Washington, DC 20436.

**STATUS:** Open to the public.

#### MATTERS TO BE CONSIDERED:

1. Investigations 701-TA-269 and 270 and

731-TA-311/317 [Preliminary] (Certain brass sheet and strip from Brazil, Canada, France, Italy, South Korea, Sweden and West Germany)—briefing and vote.

2. Investigations 701-TA-249 and 731-TA-262, 264, and 265 [Final] (Heavy iron construction castings from Canada, Brazil, India and The People's Republic of China.—briefing and vote.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Kenneth R. Mason, Secretary (202) 523-0161.

Dated: April 3, 1986.

Kenneth R. Mason,

Secretary.

[FR Doc. 86-7947 Filed 4-7-86; 9:30 am]

BILLING CODE 7020-02-M

7

#### INTERNATIONAL TRADE COMMISSION

**TIME AND DATE:** Monday, April 14, 1986 at 2:00 p.m.

**PLACE:** Room 331, 701 E Street, NW., Washington, DC 20436.

**STATUS:** Open to the public.

#### MATTERS TO BE CONSIDERED:

1. Agenda.
2. Minutes.
3. Ratification List.
4. Petitions and Complaints.
  - a. Certain chromatogram analyzers and components (Docket No. 1304).
5. Any items left over from previous agenda.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Kenneth R. Mason, Secretary (202) 523-0161.

Dated: April 3, 1986.

Kenneth R. Mason,

Secretary.

[FR Doc. 86-7948 Filed 4-7-86; 9:31 am]

BILLING CODE 7020-02-M

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#### NUCLEAR REGULATORY COMMISSION

**DATE:** Weeks of April 7, 14, 21, and 28, 1986.

**PLACE:** Commissioners' Conference Room, 1717 H Street NW., Washington, DC.

**STATUS:** Open and Closed.

#### MATTERS TO BE CONSIDERED:

Week of April 7

Thursday, April 10

10:00 a.m.

Periodic Briefing on NTOLs (Open/Portion may be Closed—Ex. 5 & 7)

11:30 a.m.

Affirmation Meeting (Public Meeting) (if needed)

Friday, April 11

10:00 a.m.

Periodic Briefing by Advisory Committee on Reactor Safeguards (ACRS) (Public Meeting)

#### Week of April 14—Tentative

Tuesday, April 15

2:00 p.m.

Meeting with NARUC on Implementation of Nuclear Waste Policy Act (Public Meeting)

Wednesday, April 16

11:00 a.m.

Affirmation Meeting (Public Meeting) (if needed)

Thursday, April 17

3:00 p.m.

Status of Pending Investigations (Closed—Ex. 5 & 7) (postponed from April 2)

#### Week of April 21—Tentative

Wednesday, April 23

3:30 p.m.

Affirmation Meeting (Public Meeting) (if needed)

#### Week of April 28—Tentative

Thursday, May 1

9:30 a.m.

Discussion/Possible Vote on Full Power Operating License for Palo Verde-2 (Public Meeting)

11:30 a.m.

Affirmation Meeting (Public Meeting) (if needed)

**TO VERIFY THE STATUS OF MEETINGS CALL (RECORDING):** (202) 634-1498.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Julia Corrado (202) 634-1410.

Dated: April 3, 1986.

Julia Corrado,

Office of the Secretary.

[FR Doc. 86-8048 Filed 4-7-86; 8:45 am]

BILLING CODE 7590-01-M

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#### OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

**TIME AND DATE:** 10:00 a.m., Thursday, April 17, 1986.

**PLACE:** Room 410, 1825 K Street, NW., Washington, DC 20006.

**STATUS:** Open Meeting.

**MATTERS TO BE CONSIDERED:** Possible Revisions to the Commission's Rules of Procedure Subpart C, 29 CFR 2200.30 to 2200.38.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Mrs. Mary Ann Miller (202) 634-4015.

Dated: April 7, 1986

Earl R. Ohman, Jr.,

General Counsel.

[FR Doc. 86-8027 Filed 4-7-86; 3:25 pm]

BILLING CODE 7600-01-M





# Federal Register

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Wednesday  
April 9, 1986

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## Part II

## Department of Labor

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Office of the Secretary  
Wage and Hour Division

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29 CFR Parts 4 and 5

41 CFR Part 50-201

Amendments to Federal Contract Labor  
Standards Regulations Eliminating Daily  
Overtime Requirements on Federal and  
Federally Assisted Contracts; Final Rule



**DEPARTMENT OF LABOR****Office of the Secretary****Wage and Hour Division****29 CFR Parts 4 and 5****41 CFR Part 50-201****Amendments to Federal Contract Labor Standards Regulations Eliminating Daily Overtime Requirements on Federal and Federally Assisted Contracts**

**AGENCY:** Wage and Hour Division, Employment Standards Administration, Labor.

**ACTION:** Final rule.

**SUMMARY:** A provision of the Department of Defense Authorization Act of 1986 amends the Contract Work Hours and Safety Standards Act and the Walsh-Healey Public Contracts Act to eliminate the daily overtime requirements on Federal contracts. This final rule revises the applicable federal contract labor standards regulations to delete these daily overtime requirements.

**EFFECTIVE DATE:** April 9, 1986.

**FOR FURTHER INFORMATION CONTACT:** Herbert J. Cohen, Deputy Administrator, Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Room S-3502, 200 Constitution Avenue, NW., Washington, DC 20210, Telephone 202-523-8305.

**SUPPLEMENTARY INFORMATION:** On November 8, 1985, the Department of Defense Authorization Act of 1986, Pub. L. 99-145, was enacted into law. Section 1241 of this Act amends subsections (a) and (b) of section 102 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 328 (a) and (b)) and Subsection (c) of section 1 of the Walsh-Healey Public Contracts Act (41 U.S.C. 35(c)) to eliminate the requirement that contractors pay employees performing on Federal or Federally assisted construction contracts, and Federal service or supply contracts, time and one-half their basic rates of pay for hours worked in excess of 8 hours per day on or after January 1, 1986. Overtime compensation will continue to be required under these statutes for hours worked in excess of 40 hours per week on or after January 1, 1986.

Contracting agencies should be aware that certain contractors may continue to have obligations to pay daily overtime compensation pursuant to State or local laws, collective bargaining agreements, or employment contracts after January 1, 1986. However, whether contractual

provisions agreed to prior to January 1, 1986, requiring overtime compensation after 8 hours of work can be enforced after January 1, 1986, is a question of contract law between the parties independent of the Department of Labor's authority under CWHSSA and PCA. Accordingly, the Department will take no action to enforce daily overtime requirements with respect to hours worked on any Federal contracts after January 1, 1986.

This document amends 29 CFR Part 4 (Labor Standards for Federal Service Contracts), 29 CFR Part 5, Subpart A (Davis-Bacon and Related Act Provisions and Procedures) and 41 CFR Part 50-201 (General Regulations under the Walsh-Healey Public Contracts Act) to eliminate references to the daily overtime requirements.

In addition, the variation permitting the use of a workday other than a calendar day in applying the daily overtime provisions of the Contract Work Hours and Safety Standards Act to the employment of firefighters or fireguards under certain conditions has been deleted from § 5.15(d) of 29 CFR Part 5 since daily overtime is no longer required.

**Classification—Executive Order 12291**

This rule does not require a regulatory impact analysis under Executive Order 12291. These regulatory changes, reflecting the amended statutes, will result in cost savings to both contractors and the Government in the award of contracts for construction, services or supplies. Elimination of the daily overtime requirements will permit management and labor to implement flexible work time arrangements that could enhance the quality of worklife, promote energy efficiency, and increase productivity.

**Publication as Final Rule, Effective Immediately**

These regulatory changes are required to implement legislation which deleted the daily overtime requirements from the Contract Work Hours and Safety Standards Act and the Walsh-Healey Public Contracts Act. These statutory deletions became effective January 1, 1986. These regulations do nothing more than reflect those deletions through eliminating provisions in current regulations which required the payment of daily overtime compensation. In bringing the regulations into conformity with the relevant statutes, no discretion has been exercised by the Department in this case. The Department, therefore, finds, for good cause, that notice and comment are unnecessary under

provisions of the Administrative Procedure Act, 5 U.S.C. 553(b)(B).

The Department also finds that good cause exists, under the provisions of the Administrative Procedure Act, 5 U.S.C. 553(d)(3), for dispensing with the customary requirement that the effective date of a regulation shall be delayed until 30 days following publication. The regulations are currently inconsistent with the relevant statutes and thus potentially misleading. It is, therefore, essential that the regulations be made consistent with the terms of these statutes at the earliest possible date in order to avoid confusion in the procurement community which is entering into contracts on an ongoing basis. An immediate effective date is thus in the public interest. These regulations shall, therefore, become effective immediately upon publication.

**Regulatory Flexibility Act; Paperwork Reduction Act**

Because no notice of proposed rule making is required for the rule under 5 U.S.C. 553(b)(B), the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) pertaining to regulatory flexibility analysis do not apply to this rule. See 5 U.S.C. 601(2).

The rule is not subject to section 3504(h) of the Paperwork Reduction Act, 44 U.S.C. 3504(h) since it does not require the collection of information.

**List of Subjects****29 CFR Part 4**

Administrative practice and procedure, Employee benefit plans, Government contracts, Investigations, Labor, Law enforcement, Minimum wages, Penalties, Recordkeeping requirements, Reporting requirements, Wages.

**29 CFR Part 5**

Administrative practice and procedures, Government contracts, Investigations, Labor, Minimum wages, Penalties, Recordkeeping requirements, Reporting requirements, Wages.

**41 CFR Part 50-201**

Administrative practice and procedures, Child Labor, Government contracts, Government procurement, Minimum wages, Penalties, Reporting and recordkeeping requirements, Wages.

For the reasons set out in the preamble, 29 CFR Parts 4 and 5 and 41 CFR Part 50-201 are amended as set forth below.



Signed at Washington, DC this 2nd day of April 1986.

Susan R. Meisinger,

Deputy Under Secretary for Employment Standards.

Herbert J. Cohen,

Deputy Administrator, Wage and Hour Division.

Accordingly, there are amended the following Parts of the Code of Federal Regulations:

(a) Part 4, Title 29, Code of Federal Regulations (29 CFR Part 4);

(b) Part 5, Subpart A, Title 29, Code of Federal Regulations (29 CFR Part 5);

(c) Part 50-201, Chapter 50 of Title 41, Code of Federal Regulations (41 CFR Part 50-201), as set forth below.

#### Title 29—Labor

#### SUBTITLE A—OFFICE OF THE SECRETARY OF LABOR

#### PART 4—LABOR STANDARDS FOR FEDERAL SERVICE CONTRACTS

1. The authority citation for Part 4 continues to read as follows:

Authority: 41 U.S.C. 351, et seq., 79 Stat. 1034, as amended in 86 Stat. 789, 90 Stat. 2358; 41 U.S.C. 38 and 39; and 5 U.S.C. 301.

2. In § 4.181, paragraphs (b) and (c) are revised to read as follows:

#### § 4.181 Overtime pay provisions of other Acts.

(b) *Contract Work Hours and Safety Standards Act.* (1) The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332) applies generally to Government contracts, including service contracts in excess of \$2,500, which may require or involve the employment of laborers and mechanics. Guards, watchmen, and many other classes of service employees are laborers or mechanics within the meaning of such Act. However, employees rendering only professional services, seamen, and as a general rule those whose work is only clerical or supervisory or nonmanual in nature, are not deemed laborers or mechanics for purposes of the Act. The wages of every laborer or mechanic for performance of work on such contracts must include compensation at a rate not less than 1½ times the employee's basic rate of pay for all hours worked in any workweek in excess of 40. Exemptions are provided for certain transportation and communications contracts, contracts for the purchase of supplies ordinarily available in the open market, and work, required to be done in accordance with the provisions of the Walsh-Healey Act.

(2) Regulations concerning this Act are contained in 29 CFR Part 5 which permit overtime pay to be computed in the same manner as under the Fair Labor Standards Act.

(c) *Walsh-Healey Public Contracts Act.* As pointed out in § 4.117, while some Government contracts may be subject both to the McNamara-O'Hara Service Contract Act and to the Walsh-Healey Public Contracts Act, the employees performing work on the contract which is subject to the latter Act are, when so engaged, exempt from the provisions of the former. They are, however, subject to the overtime provisions of the Walsh-Healey Act if, in any workweek, any of the work performed for the employer is subject to such Act and if, in such workweek, the total hours worked by the employee for the employer (whether wholly or only partly on such work) exceed 40 hours in the workweek. In any such workweek the Walsh-Healey Act requires payment of overtime compensation at a rate not less than 1½ times the employee's basic rate for such weekly overtime hours. The overtime pay provisions of the Walsh-Healey Act are discussed in greater detail in 41 CFR Part 50-201.

#### PART 5—LABOR STANDARDS PROVISIONS APPLICABLE TO CONTRACTS COVERING FEDERALLY FINANCED AND ASSISTED CONSTRUCTION (ALSO LABOR STANDARDS PROVISIONS APPLICABLE TO NONCONSTRUCTION CONTRACTS SUBJECT TO THE CONTRACT WORK HOURS AND SAFETY STANDARDS ACT)

#### Subpart A—Davis-Bacon and Related Acts, Provisions and Procedures

3. The authority citation for Part 5 is revised to read as follows:

Authority: 40 U.S.C. 276a-176a-7; 40 U.S.C. 276c; 40 U.S.C. 327-332; Reorganization Plan No. 14 of 1950, 5 U.S.C. Appendix; 5 U.S.C. 301; 29 U.S.C. 259; and the statutes listed in section 5.1(a) of this part.

4. In § 5.5, paragraphs (b)(1) and (b)(2) are revised to read as follows:

#### § 5.5 Contract provisions and related matters.

(b) \* \* \*

(1) *Overtime requirements.* No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek

unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

5. In § 5.8, paragraph (a) is revised to read as follows

#### § 5.8 Liquidated damages under the Contract Work Hours and Safety Standards Act.

(a) The Contract Work Hours and Safety Standards Act requires that laborers or mechanics shall be paid wages at a rate not less than and one-half times the basic rate of pay for all hours worked in excess of forty hours in any workweek. In the event of violation of this provision, the contractor and any subcontractor shall be liable for the unpaid wages and in addition for liquidated damages, computed with respect to each laborer or mechanic employed in violation of the Act in the amount of \$10 for each calendar day in the workweek on which such individual was required or permitted to work in excess of forty hours without payment of required overtime wages. Any contractor or subcontractor aggrieved by the withholding of liquidated damages shall have the right to appeal to the head of the agency of the United States (or the territory of District of Columbia, as appropriate) for which the contract work was performed or for which financial assistance was provided.

6. In § 5.15, paragraph (d) is amended by removing paragraph (d)(1); by redesignating paragraph (d)(2) as paragraph (d)(1); and by revising and



redesignating paragraphs (d)(3) and (d)(4) as (d)(2) and (d)(3), respectively, to read as follows

**§ 5.15 Limitations, variations, tolerances, and exemptions under the Contract Work Hours and Safety Standards Act.**

(d) \* \* \*

(2) In the performance of any contract entered into pursuant to the provisions of 38 U.S.C. 620 to provide nursing home care of veterans, no contractor or subcontractor under such contract shall be deemed in violation of section 102 of the Contract Work Hours and Safety Standards Act by virtue of failure to pay the overtime wages required by such section for work in excess of 40 hours in the workweek to any individual employed by an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, a work period of 14 consecutive days is accepted in lieu of the workweek of 7 consecutive days for the purpose of overtime compensation and if such individual receives compensation for employment in excess of 8 hours in any workday and in excess of 80 hours in such 14-day period at a rate not less than 1½ times the regular rate at which the individual is employed, computed in accordance with the requirements of the Fair Labor Standards Act of 1938, as amended. (Approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017.)

(3) Any contractor or subcontractor performing on a government contract the principal purpose of which is the furnishing of fire fighting or suppression and related services, shall not be deemed to be in violation of Section 102 of the Contract Work Hour and Safety Standards Act for failing to pay the overtime compensation required by Section 102 of the Act in accordance with the basic rate of pay as defined in paragraph (c)(1) of this section, to any pilot or copilot of a fixed-wing or rotary-wing aircraft employed on such contract if:

(i) Pursuant to a written employment agreement between the contractor and the employee which is arrived at before performance of the work.

(A) The employee receives gross wages of not less than \$300 per week regardless of the total number of hours worked in any workweek, and

(B) Within any workweek the total wages which an employee receives are not less than the wages to which the employee would have been entitled in that workweek if the employee were paid the minimum hourly wage required under the contract pursuant to the provisions of the Service Contract Act of 1965 and any applicable wage determination issued thereunder for all hours worked, plus an additional premium payment of one-half times such minimum hourly wage for all hours worked in excess of 40 hours in the workweek;

(ii) The contractor maintains accurate records of the total daily and weekly hours of work performed by such employee on the government contract. In the event these conditions for the exemption are not met, the requirements of section 102 of the Contract Work Hours and Safety Standards Act shall be applicable to the contract from the date the contractor or subcontractor fails to satisfy the conditions until completion of the contract. (Approved by the Office of Management and Budget under OMB control number 1215-0017.)

**Title 41—Public Contracts and Property Management**

**SUBTITLE B—OTHER PROVISIONS RELATING TO PUBLIC CONTRACTS**

**CHAPTER 50—PUBLIC CONTRACTS, DEPARTMENT OF LABOR**

**PART 50-201—GENERAL REGULATIONS**

7. The authority citation for Part 50-201 is revised to read as follows:

Authority: Sec. 4, 49 Stat. 2038; 41 U.S.C. 38. Interpret or apply sec. 6, 49 Stat. 2038, as amended; 41 U.S.C. 40.

8. In § 50-201.1, paragraph (c) is revised to read as follows:

**§ 50-201.1 Insertion of stipulations.**

\* \* \*

(c) No person employed by the contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of the contract shall be permitted to work in excess of 40 hours in any 1 week unless such person is paid such applicable overtime rate as has been set by the Secretary of Labor: *Provided, however,* That the provisions of this stipulation shall not apply to any employer who shall have entered into an agreement with his employees pursuant to the provisions of paragraphs 1 or 2 of subsection (b) of section 7 of an act entitled "The Fair Labor Standards Act of 1938": *Provided, further,* That in the case of such an employer, during the life of the agreement referred to the applicable overtime rate set by the Secretary of Labor shall be paid for hours in excess of 12 in any 1 day or in excess of 56 in any 1 week and if such overtime is not paid, the employer shall be required to compensate his employees during that week at the applicable overtime rate set by the Secretary of Labor for hours in excess of 40 in any 1 week.

\* \* \*

9. In § 50-201.103, paragraphs (a) and (c) are revised to read as follows:

**§ 50-201.103 Overtime.**

(a) Employees engaged in or connected with the manufacture, fabrication, assembling, handling, supervision, or shipment of materials, supplies, articles, or equipment used in the performance of the contract may be employed in excess of 40 hours in any one week: *Provided,* Such persons shall be paid for any hours in excess of 40 hours in any one week the overtime rate of pay which has been set therefor by the Secretary of Labor.

\* \* \*

(c) If in any one week or part thereof an employee is engaged in work covered by the contract's stipulations, overtime shall be paid for any hours worked in excess of 40 hours in any one week at the overtime rate set forth in paragraph (b) of this section.

\* \* \*

[FR Doc. 86-7726 Filed 4-8-86; 8:45 am]

BILLING CODE 4510-27-M